Manitoba

Annual Report
1999 - 2000

The Public Trustee

Includes 10% post-consumer waste

100-07523/

MINISTER OF JUSTICE
ATTORNEY GENERAL

Room 104
Legislative Building
Winnipeg, Manitoba, CANADA
R3C 0V8

The Honourable Peter Liba
Lieutenant-Governor of Manitoba

May It Please Your Honour:

It is my privilege to present for the information of Your Honour the Annual Report of the Public Trustee for the fiscal year ending March 31, 2000.

Respectfully submitted,

Gord Mackintosh
Minister of Justice
Attorney General

Manitoba 2000

Our Past. Our Future. Our Celebration.
Notre passé. Notre avenir. Notre fête.

Manitoba

Deputy Minister of Justice
and Deputy Attorney General

Room 110
Legislative Building
Winnipeg MB R3C 0V8

The Honourable Gord Mackintosh
Minister of Justice
and Attorney-General
104 Legislative Building
Winnipeg, Manitoba R3C 0V8

Dear Sir:

I am pleased to submit for your consideration the Annual Report of the Public Trustee Special Operating Agency for the fiscal year ending March 31, 2000.

The results of the 1999/00 fiscal year indicate the advantages of SOA status, including the flexibility to hire staff in order to provide service levels that meet client needs, and an ability to plan on a long term basis.

The Advisory Board is pleased with the success of the Public Trustee and encouraged by the commitment of its employees.

All of which is respectfully submitted,

Bruce A. MacFarlane, Q.C.
Deputy Minister of Justice
Deputy Attorney General

Manitoba 2000

Our Past. Our Future. Our Celebration.
Notre passé. Notre avenir. Notre fête.

Manitoba

The Public Trustee

13th Floor
Woodsworth Building
405 Broadway
Winnipeg MB R3C 3L6
CANADA

Bruce A. MacFarlane, Q.C.
Deputy Minister of Justice and
Deputy Attorney General
110 Legislative Building
Winnipeg, Manitoba R3C 0V8

Dear Sir:

In accordance with the provisions of Section 19 of The Public Trustee Act and the requirements of a Special Operating Agency, I submit this annual report for the period ending March 31, 2000.

Yours truly,

M. ANNE BOLTON, Q.C.
Public Trustee

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PROFILE OF THE PUBLIC TRUSTEE

The Public Trustee provides services for a fee to the people of Manitoba in accordance with its statutory mandate. The office of The Public Trustee operates with a high level of accounting, legal and professional expertise necessary for the management of approximately 5804 files. Assets under administration are currently valued at approximately $151 million.

THE MISSION OF THE PUBLIC TRUSTEE IS:

TO PROTECT THE INTERESTS OF MANITOBANS BY PROVIDING PROFESSIONAL AND COST-EFFECTIVE TRUSTEE SERVICES OF LAST RESORT THAT MEET THE NEEDS OF ITS CLIENTS

THE PRINCIPLES BY WHICH WE OPERATE TO ACHIEVE OUR MISSION ARE:

- our service is customer focused;
- our service is cost effective;
- services which must be provided by statutory mandate are provided and if fees cannot be charged, the costs are covered by the revenue earned in other areas of the operation of the office.

THE STATUTORY MANDATE OF THE PUBLIC TRUSTEE IS TO:

(a) act as committee for mentally incompetent persons under the provisions of *The Mental Health Act*;

(b) act as substitute decision-maker for persons living with a mental disability under the provisions of *The Vulnerable Persons Living With a Mental Disability Act*;

(c) consent, or refuse consent, to psychiatric treatment for mentally incompetent patients in psychiatric facilities;

(d) act as official administrator for the province;

(e) act as official guardian for the province;

(f) act as litigation guardian for infants and mentally incompetent persons who have no one else competent to act on their behalf;

(g) act as trustee for funds payable to infants;

(h) review all infant settlements;

(i) review all applications for private committeeship.

THE PUBLIC TRUSTEE ADVISORY BOARD

The Public Trustee provides plans and reports to the Advisory Board established by the Public Trustee Operating Charter for review and consultation on short and long-term strategic planning, management, and operating issues of concern to the private and public sectors. Its members are appointed by the Minister of Justice and it is chaired by the Assistant Deputy Minister as delegated by the Deputy Minister. The Board meets quarterly to provide advice to the Public Trustee on its direction, the annual operating plan and its financial reporting requirements.

CHAIR	Bruce A. MacFarlane, Q.C. Deputy Minister Justice	
MEMBERS	Tom Hague Acting Assistant Deputy Minister Justice	ex officio
	M. Anne Bolton, Q.C. Public Trustee	ex officio
	E. D. Kelly Barrister and Solicitor	Private Sector Representatives
	John Elcomb Regional Director, Prairies CIBC Trust	
	Carol Renner Primary Care Coordinator Primary Health Care Department of Health	Client Representatives
	Martin Billinkoff Assistant Deputy Minister Community Living Department of Family Services	
	Silvia Madden Administrative Assistant Public Trustee	Employee Representative

THE PUBLIC TRUSTEE

Creation of The Public Trustee

The Public Trustee is a corporation sole. It was created by the enactment of *The Public Trustee Act* on February 1, 1973. The Public Trustee has a corporate seal and perpetual succession and functions separately from government, capable of suing or being sued on behalf of its clients, trusts, and estates which are administered by it. *The Public Trustee Act* provides that the Provincial Auditor audits the books and accounts of The Public Trustee. As well, the act requires that an annual report be filed including an audited balance sheet and an audited statement of receipts and expenditures for the fiscal year. Fees for services have been generated by the office since its inception and cover its salary and operating expenditures.

Special Operating Agency Status

Effective April 1, 1996 The Public Trustee commenced operation as a Special Operating Agency (SOA). Prior to this conversion, The Public Trustee had been operating on a full cost recovery (revenue) basis. The advantages of SOA status, including the flexibility to hire staff as required to provide service levels appropriate to the fees charged, carry forward surpluses to subsequent years, the ability to plan on a long-term basis, acquire computer equipment and improve services to the public, have assisted in the operation of The Public Trustee as an SOA. The increased management authority and more rigorous planning and reporting requirements afforded by Special Operating Agency status have assisted the Public Trustee in increasing the quality of services to its clients.

The Public Trustee remains a branch within the Department of Justice of the Province of Manitoba and is accountable to the Deputy Minister and Minister for operational and financial performance. The Public Trustee operates outside the Consolidated Fund under the Special Operating Agencies Financing Authority, which holds title to the Public Trustee's assets, provides financing for operations and is responsible for the Public Trustee's liabilities. Accountability is supported by the Public Trustee's compliance with its Operating Charter, transfer agreement, management agreement, applicable General Manual of Administration Policies and by the Special Operating Agencies Financing Authority Act.

The Public Trustee's staff are assigned in 6 distinct sections:

Administration - This section is composed of the Public Trustee who administers the entire program, an internal auditor and .5 support staff.

Client Administration - This section manages the personal and financial affairs of vulnerable persons and mentally incompetent adults. The Winnipeg office is composed of the manager, 11.5 permanent officers, 11 permanent support staff. The Brandon office is composed of 1 permanent officer, 1 permanent and .25 term support staff.

Estates and Trusts Administration - This section administers deceased estates, and adult and infant trusts. This section is composed of the manager, 5 permanent officers, 4 permanent support staff and 1 permanent trust administration clerk.

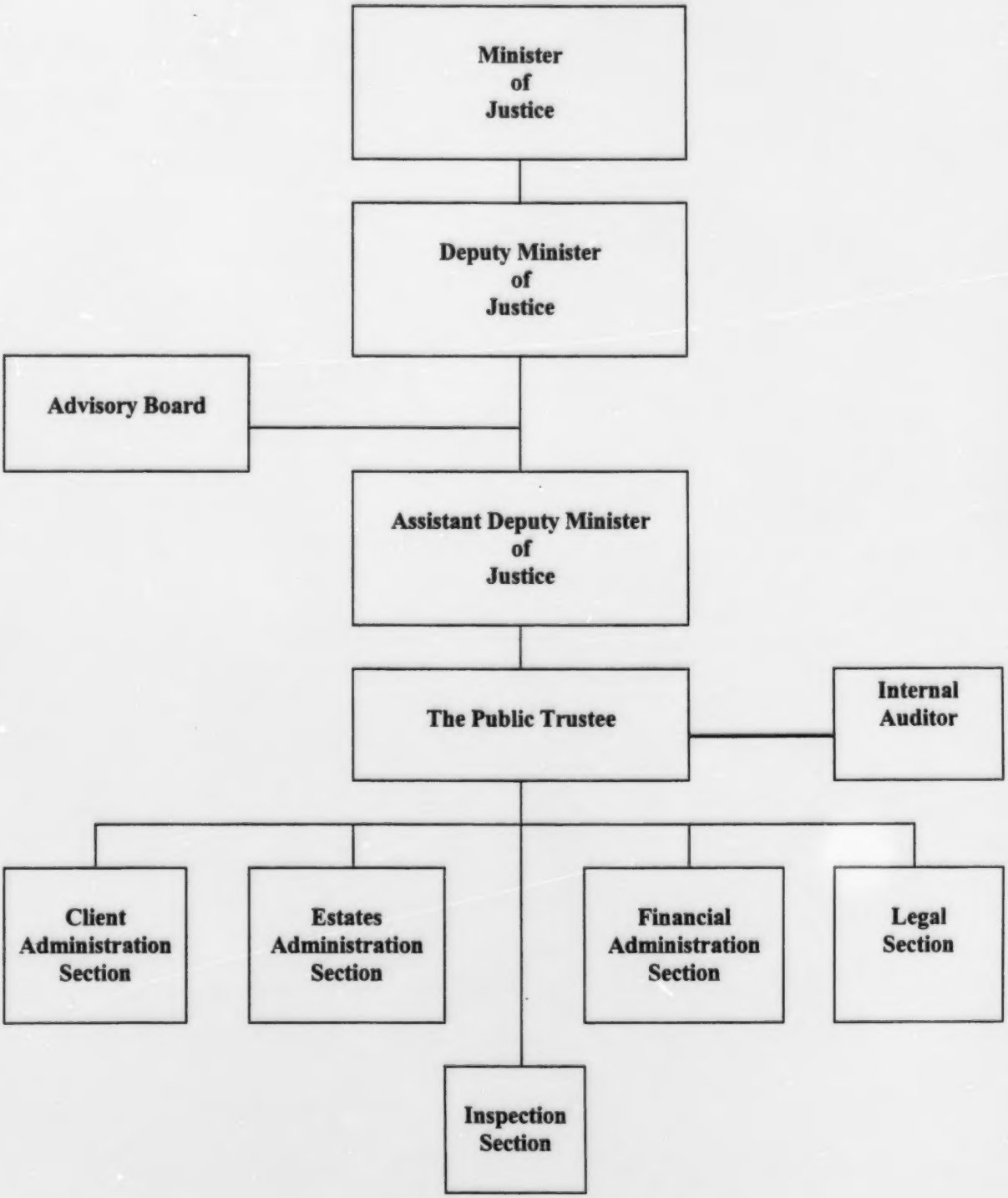
Financial Administration - This section manages the accounting for all clients, estates and trusts and manages the Common Fund. It also manages the revenues and operating budget of the office. This section is composed of the manager, 1 senior accountant, 1 accountant, 1 investment officer, 16 permanent accounting staff and 1.5 term accounting staff.

Legal - This section provides the necessary legal representation for the estates, trusts and clients, ensures the protection of rights and assets, provides assistance to the Court as requested and provides advice to the Public Trustee. This section is composed of 1 senior counsel, 4 legal counsel, 1 articling student and 3 support staff.

Inspection - This section provides services for estates and trusts, and client administration by investigating matters as required in estates, trusts and client files and recording and securing properties owned by clients and estates. The section is composed of the chief inspector, 3 inspectors, and one clerk.

Each of the managers with the exception of the chief inspector is part of the management team and each, including the chief inspector, reports to the Public Trustee. As well, the internal auditor reports to the Public Trustee.

The Public Trustee Organization



Performance Review

The long-term goals which are identified in the Business Plan are:

1. To efficiently and effectively provide a service for a fee to the people of Manitoba by:

   - administering the estates of people who have died in Manitoba with no one else capable or willing to act as administrator;

   - administering the estates of people who are not mentally capable of doing so and making personal decisions on their behalf;

   - administering trust monies on behalf of people who are under 18 years of age and administering testamentary and inter vivos trusts;

   - supporting all of these functions with legal, financial and accounting expertise;

   - fulfilling additional roles pursuant to legislation or as ordered by the Court.

2. To identify ideal levels of service, how to achieve those levels and the resources required to achieve them.

3. To provide staff development and training to ensure that all staff have the necessary skills.

4. To evaluate customer satisfaction in the client administration section to determine if staffing levels are appropriate.

5. To continue to improve information management.

6. To recover the cost of the operation from the fees charged with a small reserve for reinvestment.

7. To improve communication with all individuals and agencies with whom the office deals.

The accomplishments in 1999-00 are:

Client Administration

1. Vulnerable Persons Living with Mental Disability Act

In October 1999, the review and conversion of Orders of Supervision under Part II of *The Mental Health Act* to *The Vulnerable Persons Living with a Mental Disability Act* was completed. The net reduction in the number of clients who are vulnerable people living with a mental disability was 330, as of March 31, 2000.

2. Powers of Attorney

During the year a Client Administration Officer was hired on a half-time basis to manage files for clients who have named the Public Trustee as attorney pursuant to an enduring power of attorney. The powers of attorney program was expanded to cover the whole province of Manitoba. The number of Powers of Attorney held as of March 31, 2000 was 65, an increase of 20 from the previous year.

3. File Reviews

The Manager, Client Administration, and the Internal Auditor continue to conduct file reviews to ensure that assets and income are properly administered and an appropriate level of service is provided to clients. During the year, 229 files were reviewed. This meets the goal of reviewing 50% of all files after they have been open for 6 months.

4. Procedure Manual

The Client Administration portion of the Procedure Manual was restructured and redrafted during the year. Policies have been identified separately from procedures. The manual is currently being typed, and will be distributed for use during the summer of 2000.

Plans were completed for a Policy and Procedure Manual Committee to be established to review and update the Public Trustee Policy and Procedure Manual. The Committee will be chaired by a lawyer, and will have representation from each section of the office. It is expected that the committee will begin meeting in September 2000.

5. **Automated Budgeting System**

An automated budgeting system was developed that allows client administration officers to input annual financial budgets for clients. The system has built in subsequent reporting and monitoring capabilities. It will substantially strengthen the financial planning process and provide automated variance monitoring. It will be used by officers to assist in making disbursement decisions by allowing on-line monitoring of budget and actual results to date. The system became operational on June 1, 2000.

6. **Information and Pamphlets**

The Committeeship Guidebook, Enduring Powers of Attorney Guidebook and other Public Trustee Information Pamphlets were revised to reflect the changes to *The Mental Health Act*, which became effective on October 29th, 1999.

Legal

1. **Legal Time Reporting System**

A new legal time reporting system was developed and implemented. This system reduces the time required to track legal billings and will also provide improved statistical and management reporting.

2. **Quick Law Reference**

Arrangements were made to provide our legal section with access to the Quicklaw reference service. This access will substantially improve the efficiency of legal research required by the legal section.

Accounting

1. **Employee Job Descriptions**

The income tax department partially completed its task of reviewing and delineating the responsibilities of the income tax department. Employees continued rewriting job descriptions as the transition to the managed environment involved shifting responsibility for tasks. Completion of this task will be included as a goal in the 2001/2002 business plan.

General

1. Transition to the Managed Environment

The Public Trustee's LAN was successfully transitioned to the Government wide managed environment. This was followed by a one day training session for all staff in the use of the new e-mail software.

2. Staff Training

The manager of the estates and trusts section developed a draft training guide for the Public Trustee. As a result, all new employees spent an internship period working closely with a senior staff member. As well, new employees attended orientations in the accounting section, and information sessions on risk management.

3. Speaking Engagements

(a) Representatives of The Public Trustee participated in province-wide education sessions designed to introduce changes to *The Mental Health Act*.

(b) The Manager, Client Administration and/or The Public Trustee made presentations to the following groups and organizations in order to inform them about the role and services provided by the Office of The Public Trustee. These presentations provided a valuable opportunity to improve communication between the Office of The Public Trustee and other service providers.

March 18/99	Winnipeg Community Long Term Care Authority
April 13/99	Central Manitoba RHA Community Mental Health Workers
May 14/99	Personal Care Home Social Workers Group
May 28/99	Gimli Women's Institute
May 19/99	City of Winnipeg Social Workers
July 22/99	Bank of Montreal Mountain and McGregor Staff
July 22/99	Staff of Long Term Care Access Centre WRHA
September 20/99	Brandon/Marquette RHA
October 6/99	Misericordia Health Centre Social Workers
October 8/99	CLEA lunch hour seminar at Centennial Library
October 8/99	Staff of 1010 Sinclair
October 28/99	Mindful Care Conference Brandon
October 20/99	Winnipeg RHA Re: *MHA* Amendments
October 22/99	Selkirk Mental Health Centre Re: *MHA* Amendments
October 25/99	Dauphin Health Centre and Parklands RHA Re: *MHA* Amendments
October 26/99	University of Manitoba Social Work Students
October/99	Eastman RHA

November 3/99	WRHA Geriatric Teams
November 4/99	Central RHA Re: *MHA* Amendments
November 9/99	Parklands RHA St. Rose
November 10/99	Parklands RHA Swan River
November 25/99	Golden Links Lodge PCH staff
January 14/00	Law Society of Manitoba Bar Admission Course
January 21/00	Queens Bench Judges Law at Lunch
February 24/00	Law Society of Manitoba Law at Lunch
March 1/00	WRHA Home Care Coordinators Orientation
March 16/00	Alzheimer Society Conference

Publications

The Public Trustee has a number of publications available to individuals who come in contact with the office. Many of these are available in bilingual format, or available in English or French. They are:

(a) The Committeeship Guidebook (English and French)

- This booklet provides guidance to private committees on their duties and responsibilities. It also provides examples of the accounting required and opening and closing inventories.

(b) The Public Trustee Fee Brochure (Bilingual)

- This brochure details the fees charged for the services provided by the office.

(c) The Powers of Attorney Project Pamphlet (Bilingual)

- This pamphlet outlines the powers of attorney project of the Public Trustee's office and from whom the Public Trustee will accept powers of attorney. It also includes the fee brochure and details of how the power of attorney document will be reviewed and signed.

(d) Operation of Client Administration Section (Bilingual)

- This pamphlet provides details on how the officers will manage the personal and financial affairs of clients.

(e) Powers of Attorney Guidebook (Bilingual)

- This is a detailed guidebook outlining the responsibilities and duties of an attorney together with a sample accounting. This guidebook is available free of charge through organizations such as the Seniors Directorate, Elder Abuse Resource Centre, Age and Opportunity. The guidebook is also available through the Public Trustee's Office.

The Public Trustee of Manitoba - Section
Activity for the year ending March 31, 2000

Trust and Estates Section

	1999	Files Opened in Year	Files Closed in Year	2000 End of Year
Assets under Administration * ($000's)	$ 41,911			$ 45,063
Number of Files				
Deceased Estates	394	147	131	410
Infant Trusts	1,029	127	127	1,029

Client Administration Section

	1999	Files Opened in Year	Files Closed in Year	2000 End of Year
Assets under Administration * ($000's)	$ 109,628			$ 106,768
Number of Clients	3,603	465	547	3,521

Legal Section

	1999	Files Opened in Year	Files Closed in Year	2000 End of Year
Number of Files at beginning of year	834	635	625	844

*Note: Assets under Administration are shown at values recorded on the client accounts and not as presented in the financial statements (see Notes 2c and 2d in Notes to Financial Statements).

The Public Trustee of Manitoba - Section
Activity for the year ending March 31, 2000

Financial Administration Section

Magnitude ($000's)	1999	2000
Total Assets under Administration *	$ 151,540	$ 151,831
Receipts for year	$ 112,132	$ 98,113
Disbursements for year	$ 111,963	$ 98,202
Total Accounts/Files	5860	5,804
Total Financial Transactions	309,254	308,964

*Note: Assets under Administration are shown at values recorded on the client accounts and not as presented in the financial statements (see Notes 2c and 2d in Notes to Financial Statements).

SUMMARY OF FINANCIAL RESULTS
($000's)

	Actual 1998/99	Actual 1999/00	Budget 1999/00	% Variance
Total Income	4,291	4,299	4,447	<3.3>%
Salaries & Benefits	3,269	3,314	3,436	<3.5>%
Employee Pension Costs	173	196	180	8.87%
Occupancy Costs	226	220	251	<12.3>%
Operating Costs	567	706	684	3.2%
Amortization: Furniture & Equipment/loss on disposal of capital assets	40	67	79	<15.1>%
Total Expenses	4,275	4,503	4,630	<2.7>%
NET INCOME (Loss)	16	<204>	<183>	<11.4>%

Variances: Total income is lower than forecast as client asset growth was less than expected.

Salaries are lower than forecast due to increased vacancy for the year.

Pension costs have been estimated for the financial statements at a higher rate than the forecast.

Occupancy costs are lower than forecast as the addition of increased office space has been deferred.

Operating costs are marginally higher than forecast due to normal variances in a number of expense accounts.

Amortization costs are lower than forecast as loss on sale of capital assets was not as great as expected.

The Public Trustee of Manitoba
An Agency of the
Special Operating Agencies
Financing Authority
Province of Manitoba

Financial Statements
March 31, 2000

Manitoba

The Public Trustee

13th Floor Woodsworth Building
405 Broadway
Winnipeg MB R3C 3L6
CANADA

MANAGEMENT REPORT

The accompanying financial statements are the responsibility of management and have been prepared in accordance with the accounting policies stated in the financial statements. In management's opinion, the financial statements have been properly prepared within reasonable limits of materiality, incorporating management's best judgement regarding all necessary estimates and all other data available up to June 20, 2000. The financial information presented elsewhere in the Annual Report is consistent with that in the financial statements.

Management maintains internal controls to provide reasonable assurance that the financial information is reliable and accurate and that the assets of the Public Trustee are properly safeguarded.

The responsibility of the Provincial Auditor is to express an independent, professional opinion on whether the financial statements are fairly stated in accordance with the accounting policies stated in the financial statements. The Auditor's Report outlines the scope of the audit examination and provides the audit opinion.

The Public Trustee has reviewed and approved these financial statements and the Annual Report in advance of its release and has approved its content and authorized its release.

M. Anne Bolton, Q.C.
Public Trustee

Office of the Provincial Auditor

500 - 330 Portage Avenue
Winnipeg, Manitoba
CANADA R3C 0C4

AUDITORS' REPORT

To the Legislative Assembly of Manitoba,
To the Public Trustee of Manitoba, and
To the Special Operating Agencies Financing Authority

We have audited the balance sheet of The Public Trustee of Manitoba, an Agency of the Special Operating Agencies Financing Authority - Province of Manitoba, as at March 31, 2000 and the statements of income and retained earnings and cash flows for the year then ended. These financial statements are the responsibility of the Public Trustee's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Agency as at March 31, 2000 and the results of its operations and cash flows for the year then ended in accordance with generally accepted accounting principles.

James M. Martin, CA
for the Provincial Auditor

Winnipeg, Manitoba
June 20, 2000

PUBLIC TRUSTEE OF MANITOBA
(An Agency Of The Special Operating Agencies Financing Authority - Province of Manitoba)

BALANCE SHEET
(In Thousands)
AS AT MARCH 31, 2000

ASSETS

	2000	1999
Current		
Cash	$ 45	$ 45
Accounts receivable (Note 3)	621	657
Prepaid expenses	7	4
Short-term investments with Minister of Finance (Note 17)	1,529	1,398
	2,202	2,104
Receivable from Province of Manitoba (Note 4)	622	622
Capital Assets (Note 5)	68	131
	$ 2,892	$ 2,857

LIABILITIES

Current		
Accounts payable and accruals (Note 6)	$ 414	$ 383
Severance pay benefits (Note 18)	455	443
Pension liability (Note 10)	654	458
	1,109	901

EQUITY

Revenue stabilization fund (Note 15)	500	500
Retained earnings	869	1,073
	$ 2,892	$ 2,857

PUBLIC TRUSTEE OF MANITOBA
(An Agency Of The Special Operating Agencies Financing Authority - Province of Manitoba)

STATEMENT OF INCOME AND RETAINED EARNINGS
(In Thousands)
YEAR ENDED MARCH 31, 2000

	2000	1999
Revenue		
Fees (Note 8)	$ 4,132	$ 4,194
Interest	80	73
Other	87	24
	4,299	4,291
Expenses		
Amortization of capital assets	26	40
Accommodation - Department of Government Services	220	226
Administration expenses (Note 9)	706	567
Salaries and benefits	3,314	3,269
Employer pension costs	196	173
Loss on disposal of capital assets (Note 5)	41	0
	4,503	4,275
Net Income (Loss)	(204)	16
Retained earnings, beginning of year	1,073	1,057
Retained earnings, end of year	$ 869	$ 1,073

PUBLIC TRUSTEE OF MANITOBA
(An Agency Of The Special Operating Agencies Financing Authority - Province of Manitoba)

STATEMENT OF CASH FLOWS
(In Thousands)
YEAR ENDED MARCH 31, 2000

	2000	1999
Cash derived from (applied to)		
Operating (Note 19)		
Net income (Loss)	$ (204)	$ 16
Items not involving cash		
Amortization of capital assets	26	40
Loss on disposal of capital assets	41	0
	(137)	56
Change in		
Receivables	36	(43)
Prepaid expenses	(3)	3
Payables	31	(24)
	(73)	(8)
Investing		
Acquisition of capital assets	(4)	(20)
Financing		
Severance pay benefits	12	39
Pension liability	196	173
	208	212
Net increase (decrease) in cash	131	184
Cash and short term investments		
Beginning of year	1,443	1,259
End of year	$ 1,574	$ 1,443

PUBLIC TRUSTEE OF MANITOBA
(An Agency Of The Special Operating Agencies Financing Authority - Province of Manitoba)

NOTES TO FINANCIAL STATEMENTS
(In Thousands)
MARCH 31, 2000

1. Nature of organization

The Public Trustee protects the interests of Manitobans by providing trust, legal, financial and personal services on a last resort basis to people who are mentally incompetent, under the age of majority, or whose estates would otherwise be unadministered upon their death.

Effective April 1, 1996, the Public Trustee was designated as a Special Operating Agency pursuant to The Special Operating Agencies Financing Authority Act, Cap. s185, C.C.S.M. and operates under a charter approved by the Lieutenant Governor in Council.

The Public Trustee is financed through the Special Operating Agencies Financing Authority (SOAFA). The Financing Authority has the mandate to hold and acquire assets required for and resulting from Public Trustee operations. It finances the Public Trustee through repayable loans and working capital advances. The financial framework provides increased management authority which, coupled with more rigorous planning and reporting requirements afforded by Special Operating Agency status, assists the Public Trustee to sustain the provision of high quality service to her clients.

A Management Agreement between the Financing Authority and the Minister of Justice assigns responsibility to the Public Trustee to manage and account for Public Trustee related assets and operations on behalf of the Financing Authority.

The Public Trustee continues to be part of Manitoba Justice. The Public Trustee is a corporation sole with perpetual succession. As a corporate entity the Public Trustee functions separately from government and is capable of suing or being sued on behalf of the clients, trusts and estates which are administered by her.

The Public Trustee remains bound by relevant legislation and regulations. The Public Trustee is also bound by administrative policy except where specific exemptions have been provided for in her charter in order to meet business objectives.

2. Significant accounting policies

a) Basis of reporting

The financial statements of the Agency are presented in accordance with generally accepted accounting principles.

b) Revenue recognition

i. Administration fees are charged to client accounts quarterly based on the anniversary date of the account in accordance with provisions of The Public Trustee Act. The fees revenue recognized in a year consists of all fees charged, accruals and adjustments made to accounts.

ii. Other fees are recognized as revenue when charged to an account and could be subject to adjustment on closing.

iii. Statutory fees are recognized as revenue when received.

c) Capital assets

Capital assets are recorded at cost and are amortized annually as follows:

Furnishings and equipment	-	20%, diminishing balance basis
Computer hardware and software	-	20%, straight-line basis, 10% in year of acquisition, software purchases less than $1 are expensed in year of acquisition
Leasehold improvements	-	20%, straight-line basis

3. Accounts receivable

The accounts receivable are as follows:	2000	1999
Fees receivable	$ 629	$ 674
Allowance for doubtful accounts	(26)	(29)
	603	645
Interest receivable	5	5
Advances to client accounts	7	7
Cost recoveries	6	0
	$ 621	$ 657

4. Receivable from Province of Manitoba

The receivable from the Province of Manitoba is for vacation entitlements earned by the employees of the Agency prior to creation of the Special Operating Agency in the amount of $219 and for severance entitlements earned by employees to March 31, 1998 in the amount of $403.

5. Capital Assets

	Cost	Accumulated Amortization	Net Book Value 2000	Net Book Value 1999
Furnishings & equipment	$ 42	$ 19	$ 23	$ 26
Computer hardware & software	60	31	29	81
Leasehold improvements	39	23	16	24
	$ 141	$ 73	$ 68	$ 131

During the year, the Agency was transitioned to a new desktop computing system which involved the replacement of PC computer equipment. Existing equipment was disposed of with a cost of $ 71 and net book value of $ 41. This writedown of equipment was made during the current fiscal year and the net loss of $ 41 is shown as a loss on disposal of capital assets.

6. Accounts payable and accruals

The accounts payable and accruals are as follows:

	2000	1999
Operating expenses payable	$ 40	$ 34
Salaries & benefits payable	65	43
Vacation entitlements accrual	282	279
GST payable to Revenue Canada	27	27
	$ 414	$ 383

7. Working capital

The Agency has an authorized line of working capital of $1,000 through SOAFA, which was unused and available at March 31, 2000.

8. Fees revenue

The Public Trustee charges fees for services as follows:

	2000	1999
Administration fees	$ 3,571	$ 3,549
Legal fees	284	367
Income tax fees	223	207
Inspection fees	54	71
	$ 4,132	$ 4,194

9. Other administration expenses

The other administration expenses of the Agency are as follows:

	2000	1999
Computer expenses	$ 309	$ 226
Courier charges	3	3
Desktop costs	3	0
Insurance, loss, damage	59	19
Office supplies	48	47
Other	9	8
Personnel	25	13
Photocopy	14	12
Postage	42	41
Professional fees	24	29
Publications	7	6
Public communications	9	7
Rentals, equipment	2	10
Repairs & maintenance	21	24
SAP costs	3	0
Support services - Department of Justice	26	26
Telephone	56	62
Travel	46	34
	$ 706	$ 567

10. Pension liability

Employees of the Public Trustee are eligible for pension benefits in accordance with the provisions of The Civil Service Superannnuation Act. In accordance with an agreement with the Province of Manitoba, Special Operating Agencies (SOA's) are only responsible for the pension liability incurred for their employees from the date of designation as an SOA. The Public Trustee has recorded this obligation effective for the year ended March 31, 1998. The methodology for calculating the liability has been determined in conjunction with the Province, which accepts responsibility for pension liability for prior service, as well as for any variance resulting from the calculation.

11. Commitments

The Public Trustee has an arrangement with the Province of Manitoba for rental of its facilities in the Woodsworth Building and Fletcher Building Annex in Winnipeg and its facility in the Provincial Building in Brandon. The Agency operates under an agreement for desktop computing. It is estimated that desktop computing costs will be $118 annually to 2002/2003.

12. Related party transactions

The Agency is related in terms of common ownership to all Province of Manitoba created departments, agencies and Crown corporations. The Agency enters intc transactions with these entities in the normal course of business.

13. Escheats to the Crown

Escheats to the Crown, received by the Public Trustee during the year and remitted to the Minister of Finance, amounted to $89 (1999 - $131). These amounts are not reflected in these financial statements.

14. Estates and trusts under administration

The client assets under administration at March 31, 2000 total approximately $151,000 (1999 - $151,000). The trust activities of the Public Trustee are reported in separate Estates and Trusts under Administration financial statements.

NOTES TO FINANCIAL STATEMENTS
(In Thousands)
MARCH 31, 2000

15. Revenue stabilization reserve

The Public Trustee has allocated a reserve out of retained earnings to provide for short-term fluctuations in revenue due to changes in revenue patterns or extraordinary expenses.

16. Public Sector Compensation Disclosure Act

It is a requirement of The Public Sector Compensation Disclosure Act that annual public disclosure be made of individual compensation in an amount exceeding $50 annually to any officer or employee of the Agency. For the year ended March 31, 2000, the following employees received compensation in excess of $50:

Employee	Position	Amount
Darrach, Bruce	Information Technologist 3	$ 59
Derksen-Mead, Eileen	Legal Counsel 1	52
Drever, Bruce	Legal Counsel 3	83
Fergusson, John	Legal Counsel 2	70
Jachetta, Peter	Legal Counsel 3	81
Knowlton, Joanna	Legal Counsel 3	83
Kozusko, Norman	Information Technologist 4	65
Sallans, David	Management Analyst 3	65

17. Short-term investments with Minister of Finance

Short-term investments are segregated as follows:

	2000	1999
Operating funds	$ 875	$ 940
Pension liability funds	654	458
	$ 1,529	$ 1,398

NOTES TO FINANCIAL STATEMENTS
(In Thousands)
MARCH 31, 2000

18. Severance pay benefits

Effective April 1, 1998, the Agency began recording accumulated severance pay benefits for its employees. Severance pay is determined by multiplying years of service, to a maximum of fifteen years, by the weekly salary at date of retirement, provided the employee reaches nine years of services and retires from the Agency. The estimate is based upon the method of calculation set by the Province of Manitoba.

The Province has accepted responsibility for the severance benefits accumulated by the Agency's employees to March 31, 1998. Accordingly, the opening severance pay liability balance as at April 1, 1998 of $403 was completely offset by a receivable from the Province. There are no terms of repayment for this receivable, and the amount will remain fixed at $403.

19. Cash flow statement – interest received

	2000	1999
Interest received	$ 80	$ 73

The Public Trustee of Manitoba
Estates and Trusts
under Administration

Financial Statements
March 31, 2000

Manitoba

The Public Trustee

13th Floor Woodsworth Building
405 Broadway
Winnipeg MB R3C 3L6
CANADA

MANAGEMENT REPORT

The accompanying financial statements are the responsibility of management and have been prepared in accordance with the accounting policies stated in the financial statements. These accounting policies have been applied on a basis consistent with the prior year. In management's opinion, the financial statements have been properly prepared within reasonable limits of materiality, incorporating management's best judgement regarding all necessary estimates and all other data available up to June 28, 2000. The financial information presented elsewhere in the Annual Report is consistent with that in the financial statements.

Management maintains internal controls to provide reasonable assurance that the financial information is reliable and accurate and that the assets of the Public Trustee are properly safeguarded.

The responsibility of the Provincial Auditor and his staff is to express an independent, professional opinion on whether the financial statements are fairly stated in accordance with the accounting policies stated in the financial statements. The Auditors' Report outlines the scope of the audit examination and provides the audit opinion.

The Public Trustee has reviewed and approved these financial statements and the Annual Report in advance of its release and has approved its content and authorized its release.

M. Anne Bolton, Q.C.
Public Trustee

Office of the Provincial Auditor

500 - 330 Portage Avenue
Winnipeg, Manitoba
CANADA R3C 0C4

AUDITORS' REPORT
On Estates and Trusts under Administration

To the Legislative Assembly of Manitoba, and
To The Public Trustee of Manitoba

In accordance with Section 17 and 19 of The Public Trustee Act, we have audited the balance sheet of The Public Trustee of Manitoba, Estates and Trusts under Administration, as at March 31, 2000 and the statement of cash receipts and disbursements for the year then ended. These special purpose financial statements are presented in accordance with the accounting policies described in note 2 to these financial statements and are the responsibility of the Public Trustee's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements.

In our opinion, these special purpose financial statements present fairly, in all material respects, the financial position of the estates and trusts under the administration of the Public Trustee as at March 31, 2000 and the cash receipts and disbursements for the year then ended in accordance with the accounting policies described in note 2 to these financial statements.

James Martin

Winnipeg, Manitoba
June 28, 2000

James M. Martin, CA
for the Provincial Auditor

GOVERNMENT OF THE PROVINCE OF MANITOBA

The Public Trustee of Manitoba
Estates and Trusts under Administration

Balance Sheet as at March 31, 2000

ASSETS	2000	1999
Cash on hand and in bank	$ 252,537	$ 340,762
Investments - Common Fund (Notes 2(a) and 3)	108,897,171	111,265,905
- Specific Estates and Trusts (Notes 2(b) and 4)	32,958,793	28,977,555
Accrued interest receivable on common fund investments (Note 2(a))	2,732,158	2,661,934
Other assets at nominal value (Note 2(c))	1	1
	$ 144,840,660	$ 143,246,157
LIABILITIES		
Other liabilities at nominal value (Note 2(d))	$ 1	$ 1
Public Trustee - Fees payable (Note 1)	10,706	10,080
- Expenditures payable (Note 5)	6,545	7,159
	17,252	17,240
Estates and trusts under administration:		
Excess of recorded value of assets over liabilities		
The Mental Health Act	100,391,165	102,138,584
The Public Trustee Act	44,432,243	41,090,333
	$ 144,840,660	$ 143,246,157

GOVERNMENT OF THE PROVINCE OF MANITOBA

The Public Trustee of Manitoba
Estates and Trusts under Administration

Statement of Cash Receipts and Disbursements
for the year ended March 31, 2000

RECEIPTS	2000	1999
Funds held by estates and trusts brought under administration	$ 13,022,098	$ 14,051,809
Realization of equities in other estates	1,463,758	718,432
Pensions, compensation and assistance	24,535,774	23,526,456
Sickness, disability and other insurance benefits	4,568,500	4,802,477
Investment income	9,287,918	9,569,770
Sale of estate property	2,497,918	3,181,709
Collections on accounts receivable	1,401,597	1,353,823
Total receipts, before sale or redemption of securities	56,777,563	57,204,476
Sale and redemption of securities - Common Fund	35,300,000	48,120,000
Sale and redemption of securities - Specific Estates and Trusts	6,036,265	6,807,580
Total Receipts	98,113,828	112,132,056
DISBURSEMENTS		
Room, board and other maintenance expense	24,162,185	23,974,609
Preservation of estates	3,927,897	3,709,870
Other estate expense	1,653,698	1,816,054
Administration and passing of accounts (Note 1)	4,080,721	4,075,581
Estates and trusts released from administration	23,328,133	21,220,566
Total disbursements, before purchase of securities	57,152,634	54,796,680
Purchase of securities - Common Fund	34,049,032	50,954,625
Purchase of securities - Specific Estates and Trusts	7,000,387	6,211,338
Total Disbursements	98,202,053	111,962,643
Cash receipts over (under) disbursements	(88,225)	169,413
Cash position at start of year	340,762	171,349
Cash position at end of year	$ 252,537	$ 340,762

GOVERNMENT OF THE PROVINCE OF MANITOBA

The Public Trustee of Manitoba
Estates and Trusts under Administration

Notes to Financial Statements
March 31, 2000

1. Role and Objective

The Public Trustee administers estates of mentally disabled persons, estates of deceased persons, and infant trusts. The Public Trustee is considered to be an appointment of last resort. The Public Trustee provides a public service, generally where there is no other competent or acceptable person available to provide the required service.

Under Section 14 of The Public Trustee Act, the Public Trustee may charge fees for the services provided to the estates and trusts under her administration. Fees are charged quarterly to each estate and trust based on its anniversary date. Those estates and trusts which do not have sufficient funds may have the fees reduced or waived.

Effective April 1, 1996, the Public Trustee became a Special Operating Agency. The operations of the Public Trustee are reflected in a separate Special Operating Agency financial statement.

2. Significant Accounting Policies

Statement of Cash Receipts and Disbursements

The Statement of Cash Receipts and Disbursements reflects cash transactions which have occurred during the year for estates and trusts under administration.

Balance Sheet

The Balance Sheet reflects the financial position of estates and trusts under administration in accordance with the following significant accounting policies:

a) Investments - Common Fund

Investments of the common fund, established pursuant to Section 11(1) of The Public Trustee Act, are restricted to securities and loans authorized under The Trustee Act. Common fund investments are recorded at cost, adjusted for the amortization of premiums or discounts on purchase on a straight-line basis over the remaining term to maturity of the security. Interest is accrued on these investments. Earnings are distributed monthly to the individual estates and trusts on a pro rata basis.

b) Investments - Specific Estates and Trusts

Investments held for specific estates and trusts are recorded at the following values:

Investments purchased by the Public Trustee are recorded at cost.

Bonds, term deposits, investment certificates and treasury bills assumed under administration are recorded at par value.

Shares of capital stock and mutual funds assumed under administration are recorded at the market value as at the date of death for estates of deceased persons or as at the date of assumption for all other estates. If market value is not available, shares of capital stock and mutual funds are recorded at a nominal value of $1.

c) Other Assets

Other assets which include bank accounts, accounts receivable, mortgages, notes receivable, real estate and other tangible assets are recorded for these financial statements at an aggregate nominal value of $1 as valuation of these assets is not readily determinable. These assets are recorded on the client accounts at estimated market value for administrative purposes.

d) Other Liabilities

Other liabilities which include accounts payable, mortgages and notes payable are recorded for these financial statements at an aggregate nominal value of $1 as valuation of these liabilities is not readily determinable. These liabilities are recorded on the client accounts at estimated market value for administrative purposes.

3. Investments - Common Fund

	2000 Par Value	2000 Book Value	1999 Book Value
1. Term deposits & investment certificate	$ 32,200,000	$ 32,200,000	$ 29,100,000
2. Government of Canada bonds	49,900,000	52,869,923	53,574,932
3. Canada Mortgage & Housing bonds	1,000,000	1,012,798	1,031,996
4. Province of Manitoba bonds	2,000,000	2,011,856	2,033,662
5. Province of Ontario bonds	4,000,000	4,128,244	4,171,542
6. Ontario Hydro-Electric bonds	5,500,000	5,480,149	9,995,496
7. Province of New Brunswick bonds	1,000,000	1,007,592	1,018,445
8. Province of Saskatchewan bonds	6,000,000	6,422,738	6,482,247
9. Quebec Hydro bonds	2,000,000	2,010,441	2,030,343
10. Manitoba Hydro & Manitoba Builder savings bonds	660,000	646,124	700,000
11. Province of British Columbia	1,000,000	1,107,306	1,127,242
	$ 105,260,000	$ 108,897,171	$ 111,265,905

4. Investments - Specific Estates and Trusts

	2000	1999
Term deposits, investment certificates and treasury bills	$ 18,646,348	$ 16,446,767
Government of Canada and other bonds	10,196,452	8,721,888
Shares of capital stock and mutual funds	4,115,993	3,808,900
	$ 32,958,793	$ 28,977,555

5. Expenditures Payable to the Public Trustee

Expenditures payable to the Public Trustee represent disbursements made on behalf of estates or trusts for which funds were not immediately available. These expenditures will be recovered from the estates or trusts concerned by the Public Trustee in due course when funds become available. If funds do not become available, these expenditures are recovered from operating funds of the Public Trustee.